

**Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services**

STATEMENT OF BASIS

**Agrilectric Power Partners, Ltd.
Plant No. 1
Lake Charles Calcasieu Parish, Louisiana
Agency Interest Number: 7835
Activity Number: PER20090001
Proposed Permit Number: 0520-00101-V1**

I. APPLICANT

Company:

Agrilectric Power Partners, Ltd.
PO Box 3716
Lake Charles, Louisiana 70602-3716

Facility:

Agrilectric Power Partners Ltd
3063 Hwy 397
Lake Charles, Calcasieu Parish, Louisiana
Longitude - 93°7'43.9" Latitude - 30°12'1.1"

II. FACILITY AND CURRENT PERMIT STATUS

Agrilectric Power Partners, Ltd., Plant No. 1 (Agrilectric) is a rice husk fueled steam-electric power plant. Flue gas from the 12 MW boiler is the primary source of emissions from this plant. Emissions also occur incidental to transfer and storage of rice husks and ash. These emissions are controlled by five dust collectors equipped with bag filters.

III. PROPOSED PROJECT/PERMIT INFORMATION

Application

A permit application was submitted on February 25, 2009 requesting renewal/modification of the Part 70 operating permit for Plant No. 1. Additional information dated October 9, 2009, October 21, 2009 and November 9, 2009 was also submitted.

Project

This permit renewal/modification incorporates the following changes: 1) Removal of a 2 MW power unit and its rice husk daybin and a small gas-fired jockey boiler are being removed from the operating permit; and, 2) PM10 rates are being modified to reflect PM rates demonstrated during the October 2007 stack test.

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Proposed Permit

Permit 0520-00101-V1 will be the renewal of Part 70 operating permit 0520-00101-V0 for Agrilectric Power Partners, Ltd.'s Plant No. 1.

Permitted Air Emissions

Estimated emissions in tons per year are as follows:

<u>Pollutant</u>	<u>Before</u>	<u>After</u>	<u>Change</u>
PM ₁₀	10.36	20.50	+10.14
SO ₂	73.50	63.00	-10.50
NO _x	230.60	197.40	-33.20
CO	172.20	147.00	-25.20
VOC	0.85	0.63	-0.22
Hydrochloric Acid	-	0.08	+0.08

IV. REGULATORY ANALYSIS

The applicability of the appropriate regulations is straightforward and provided in the Specific Requirements section of the proposed permit. Similarly, the Monitoring, Reporting and Recordkeeping necessary to demonstrate compliance with the applicable terms, conditions and standards are also provided in the Specific Requirements section of the proposed permit.

Applicability and Exemptions of Selected Subject Items

XI. Table 2. Explanation for Exemption Status or Non-Applicability of a Source		
ID No:	Requirement	Notes
UNF01 - Agrilectric Power Partners	40 CFR 68 -- Chemical Accident Prevention Provision	DOES NOT APPLY. The facility does not have more than the threshold quantity of a regulated substance in a process, as determined under 40 CFR 68.115.
	Chemical Accident Prevention and Minimization of Consequences [LAC 33:III.5901]	DOES NOT APPLY. The facility does not process more than the threshold quantity of a regulated pollutant.
EQT01 - 12 MW Boiler No. 1 Flue Gas Baghouse Exhaust	40 CFR 60 Subpart Da--Standards of Performance for Electric Utility Steam Generating Units for Which Construction is Commenced After September 18, 1978	DOES NOT APPLY. Combusts less than 73 MW of fuel.
	40 CFR 60 Subpart Db--Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units	DOES NOT APPLY. Combusts less than 73 MW of fuel.
	40 CFR 60 Subpart Dc--Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units	DOES NOT APPLY. Construction commenced prior to June 9, 1989.
	Compliance Assurance Monitoring [40 CFR 64]	DOES NOT APPLY. The cyclone is process equipment.

Prevention of Significant Deterioration/Nonattainment Review

A PSD review is not required for this renewal/modification.

Streamlined Equipment Leak Monitoring Program

A streamlined equipment leak program is not required.

MACT Requirements

Agriletric does not emit toxic air pollutants (TAPs) pursuant to LAC 33:III.Chapter 51.

Streamlined Equipment Leak Monitoring Program

Unit or Plant Site	Program Being Streamlined	Stream Applicability	Overall Most Stringent Program
Plant No. 1	None		

Air Quality Analysis

Emissions associated with the proposed facility were reviewed by the Air Quality Assessment Division to ensure compliance with the NAAQS and AAS. LDEQ did not require the applicant to model emissions.

General Condition XVII Activities

The facility will comply with the applicable General Condition XVII Activities emissions as required by the operating permit rule. However, General Condition XVII Activities are not subject to testing, monitoring, reporting or recordkeeping requirements. For a list of approved General Condition XVII Activities, refer to the Section VIII – General Condition XVII Activities of the proposed permit.

Insignificant Activities

All Insignificant Activities are authorized under LAC 33:III.501.B.5. For a list of approved Insignificant Activities, refer to the Section IX – Insignificant Activities of the proposed permit.

V. PERIODIC MONITORING

A federally enforceable requirement requires the facility to conduct performance/emissions testing on emission point 1-84 - 12 MW Boiler No. 1 Flue Gas Baghouse Exhaust every five years to verify emission rates of nitrogen oxides, carbon monoxide and sulfur dioxide.

VI. GLOSSARY

Carbon Monoxide (CO) – A colorless, odorless gas, which is an oxide of carbon.

Maximum Achievable Control Technology (MACT) – The maximum degree of reduction in emissions of each air pollutant subject to LAC 33:III.Chapter 51 (including a prohibition on such emissions, where achievable) that the administrative

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authority, upon review of submitted MACT compliance plans and other relevant information and taking into consideration the cost of achieving such emission reduction, as well as any non-air-quality health and environmental impacts and energy requirements, determines is achievable through application of measures, processes, methods, systems, or techniques.

Hydrogen Sulfide (H_2S) – A colorless inflammable gas having the characteristic odor of rotten eggs, and found in many mineral springs. It is produced by the reaction of acids on metallic sulfides, and is an important chemical reagent.

New Source Review (NSR) – A preconstruction review and permitting program applicable to new or modified major stationary sources of air pollutants regulated under the Clean Air Act (CAA). NSR is required by Parts C (“Prevention of Significant Deterioration of Air Quality”) and D (“Nonattainment New Source Review”).

Nitrogen Oxides (NO_x) – Compounds whose molecules consist of nitrogen and oxygen.

Organic Compound – Any compound of carbon and another element. Examples: Methane (CH_4), Ethane (C_2H_6), Carbon Disulfide (CS_2)

Part 70 Operating Permit – Also referred to as a Title V permit, required for major sources as defined in 40 CFR 70 and LAC 33:III.507. Major sources include, but are not limited to, sources which have the potential to emit: ≥ 10 tons per year of any toxic air pollutant; ≥ 25 tons of total toxic air pollutants; and ≥ 100 tons per year of regulated pollutants (unless regulated solely under 112(r) of the Clean Air Act) (25 tons per year for sources in non-attainment parishes).

PM_{10} – Particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers as measured by the method in Title 40, Code of Federal Regulations, Part 50, Appendix J.

Potential to Emit (PTE) – The maximum capacity of a stationary source to emit any air pollutant under its physical and operational design.

Prevention of Significant Deterioration (PSD) – A New Source Review permitting program for major sources in geographic areas that meet the National Ambient Air Quality Standards (NAAQS) at 40 CFR Part 50. PSD requirements are designed to ensure that the air quality in attainment areas will not degrade.

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Sulfur Dioxide (SO_2) – An oxide of sulfur.

Sulfuric Acid (H_2SO_4) – A highly corrosive, dense oily liquid. It is a regulated toxic air pollutant under LAC 33:III.Chapter 51.

Title V Permit – See Part 70 Operating Permit.

Volatile Organic Compound (VOC) – Any organic compound, which participates in atmospheric photochemical reactions; that is, any organic compound other than those, which the administrator of the U.S. Environmental Protection Agency designates as having negligible photochemical reactivity.